

# **Washington State Auditor's Office**

## **Audit Report**

### **Audit Services**

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Report No. 57761

#### **KING COUNTY PUBLIC HOSPITAL DISTRICT No. 4**

King County, Washington

January 1, 1995 Through December 31, 1995

Issue Date: September 20, 1996

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**KING COUNTY PUBLIC HOSPITAL DISTRICT NO. 4**  
**King County, Washington**  
**January 1, 1995 Through December 31, 1995**

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**Independent Auditor's Report On Compliance With State  
Laws And Regulations**

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Board of Commissioners  
King County Public Hospital District No. 4  
North Bend, Washington

We have audited the financial statements, as listed in the table of contents, of King County Public Hospital District No. 4, King County, Washington, as of and for the fiscal year ended December 31, 1995, and have issued our report thereon dated August 23, 1996.

We also performed tests of compliance with state laws and regulations as required by *Revised Code of Washington* (RCW) 43.09.260. This statute requires the State Auditor to inquire as to whether the district complied with the laws and the *Constitution of the State of Washington*, its own ordinances and orders, and the requirements of the State Auditor's Office.

Compliance with these requirements is the responsibility of the district's management. Our responsibility is to make a reasonable effort to identify any instances of misfeasance, malfeasance, or nonfeasance in office on the part of any public officer or employee and to report any such instance to the management of the district and to the Attorney General. However, the objective of our audit of the financial statements was not to provide an overall opinion on compliance with these requirements. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

This report is intended for the information of management and the board of commissioners and to meet our statutory reporting obligations. This report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

Brian Sonntag  
State Auditor

August 23, 1996

**KING COUNTY PUBLIC HOSPITAL DISTRICT NO. 4**  
**King County, Washington**  
**January 1, 1995 Through December 31, 1995**

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**Independent Auditor's Report On Financial Statements**

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Board of Commissioners  
King County Public Hospital District No. 4  
North Bend, Washington

We have audited the accompanying financial statements of King County Public Hospital District No. 4, King County, Washington, as of and for the fiscal years ended December 31, 1995 and 1994, as listed in the table of contents. These financial statements are the responsibility of the district's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of King County Public Hospital District No. 4 at December 31, 1995 and 1994, and the results of its operations and cash flows for the fiscal years then ended, in conformity with generally accepted accounting principles.

The accompanying financial statements have been prepared assuming that the district will continue as a going concern. As discussed in Note 9 to the financial statements, the district has suffered recurring losses from operations and has a fund deficit which raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 9. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Brian Sonntag  
State Auditor

August 23, 1996